improve export performance through decentralization and simplification of procedures and various other measures as enumerated in the Exim Policy, multilateral & bilateral initiatives and identification of thrust sectors and focus regions.

(b) and (c) Visakhapatnam Export Processing Zone (VEPZ) is a multi-product Zone and no specific sectoral policy is being followed. Establishment of units in various product groups depends on the export market and the response of the entrepreneurs. EPZ units broadly fall under the product groups of electronics, engineering items, gem and jewellery, textiles and garments, chemicals and allied products, plastics and rubber products.

Survey to assess underground Natural Gas and Oil in the Country

† *219. SHRI KRIPAL PARMAR: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether Government have conducted any survey to assess the quantum of underground natural gas and oil in the country;

(b) if so, when and the details of outcome thereof;

(c) whether it is a fact that foreign agencies have also been entrusted with the work of natural gas and oil exploration in the country;

(d) if so, the names of such agencies alongwith the details of the conditions of the agreements entered into with them; and

(e) the details of such industries which have been set up or to be set up for proper use of natural gas available in the country?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI RAM NAIK): (a) and (b) Exploration of hydrocarbons is an on-going process, consisting of surveys, seismic data acquisition, processing, interpretation, prospect identification and drilling. India's reserves (balance) of Oil plus Oil Equivalent Gas

† Original notice of the question was received in Hindi.

(O+OEG) were estimated at 1417.34 Million Metric Tonnes as on 1st April, 1999.

(c) and (d) Since 1991 upto April, 2000, the Government has signed 30 contracts with the foreign companies or with the consortium having foreign company as member for exploration blocks for exploration of oil and gas. The current names of the foreign companies are given below:-

i Hardy Exploration & Production Inc., U.K.

ii. Niko Resources, Canada.

iii. Shell India Production & Development BV, Netherlands.

iv. Okland International LDC, USA.

v. MD Petrom Oil & Gas Pvt. Ltd., Romania.

vi. Mosbacher India LLC, USA. vii. Tullow Oil Plc, Ireland, viii. Joshi Technologies International Inc., USA.

ix. Centurian Energy, Canada.

x. Canaro Resources, Canada.

xi. Polish Oil & Gas Company, Poland.

xii. Cairn Energy India Pvt. Ltd., Australia.

xiii. Enron Oil and Gas India Ltd., incorporated in the Cayman Islands.

xiv. Enron International Mauritius Ltd., incorporated in the Cayman Islands.

The terms and conditions for offer of blocks before New Exploration Licensing Policy (NELP) were as per the enclosed Statement-I. *(See* below) The broad terms of contract under NELP are as per the enclosed Statement-II. *(See* below)

(e) At present on the recommendation of the Gas Linkage Committee (GLC)— an Inter-Ministerial Committee, an allocation of 103.754 million standard cubic metre per day (MMSCMD) of natural gas has been made to various consumers in the Fertilizer, Power,

Sponge Iron and other sectors including internal use/shrinkage, as per the enclosed Statement-III. *(See* below). However, the existing availability of natural gas is only around 64 MMSCMD, which is being supplied to the various consumers.

Statement-I

The terms and conditions for inviting bids before NELP were as under:

- Seismic option in the first phase of the exploration period permissible.
- No signature, discovery or production bonus.
- ONGC/OIL to take participating interest upto 40%.
- National Oil Companies (NOCs) had a carried interest option of 30%. However under JVEP, ONGC/OIL had to take participating interest between 25—40% from the exploration stage.
- No customs duty on imports required for petroleum operations.
- Biddable cost recovery limit upto 100%.
- Biddable sharing of profit petroleum based on post-tax investment multiple achieve d by the contractor or post tax rate of return.
- Royalty and cess on oil and gas is to be borne by NOCs on behalf of companies.
- Fiscal stability provision in the contract.
- Government had first option to purchase entire crude under PSC at international price.
- Provision for assignment.
- Dispute resolution based on UNCITRAL model applicable.

Under the bidding rounds, companies are free to form an incorporated joint venture or to operate under unincorporated ventures. All the PSCs signed so far are based on unincorporated joint venture. This is generally the preferred route by companies as it

allows them the flexibility of tax planning and assigning their interest in case they want to exit from the project.

Statement-II

The broad terms *of NELP are* as *under:*

- No signature, discovery of production bonus.
- No mandatory state participation.
- No carried interest by National Oil Companies (NOCs).
- Income Tax Holiday for seven years from start to commercial production.
- No customs duty on imports required for petroleum operations.
- Biddable cost recovery limit upto 100%.
- Option to amortise exploration and drilling expenditures over a period of 10 years from first commercial production.
- Biddable sharing of profit petroleum based on pre-tax investment multiple achieved by the contractor.
- Royalty for onland areas is payable at the rate of 12.5% for crude oil and 10% for natural gas. For offshore areas, it is payable at the rate of 10% for oil and natural gas. Royalty for discoveries in deep water areas beyond 400 m iso-bath will be chargeable at half the applicable rate for offshore areas for the first seven years of commercial production.
- Fiscal stability provision in the contract.
- Freedom to the contractor for marketing of oil and gas in the domestic market.
- Provision for assignment.
- Conciliation and Arbitration Act, 1996 will be applicable.

Statement III

State-wise, Sector-wise allocation of natural gas as on 1st February, 2000.

(Figures in MMSCMD)

S. No	State	Fertilizer	Power	Sponge Iron	Others	Internal Use/ Shrinkage	Total
1.	Maharashtra	5.700	6.000	2.650	2.800	0.450	17.600
2.	Gujarat	4.210	8.240	3.110	8.390	2.070	26.020
3.	Madhya Pradesh	3.220	—	—	—	0.980	4.200
4.	Uttar Pradesh	8.800	5.360	0.350	2.280	2.630	19.420
5.	Haryana	—	1.950	—	0.800	—	2.750
6.	Rajasthan	1.760	2.310	—	—	—	4.070
7.	Assam	0.450	1.020	—	8.940	0.350	10.760
8.	Tripura	—	4.650	—	0.150	—	4.800
9.	Andhra Pradesh	2.140	6.140	—	0.400	—	8.680
10	Pondicherry	—	0.200	—	0.004	—	0.204
11.	Tamil Nadu	—	2.010	0.010	0.150	—	2.170
12.	Delhi	—	2.600	—	0.480	—	3.080
	Total	26.280	40.480	6.120	24.394	6.480	103.754

Import of Barley Malt

*220. SHRI SANTOSH BAGRODIA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government have allowed import of barley malt;

(b) if so, reasons therefor;

(c) whether imported barley malt has adversely affected the growers of barley in the country;

(d) the foreign exchange out-flow during 1998-99 and the current year due to import of barley malt; and

(e) the steps proposed to review this policy?